

MLN Matters Number: MM6218 **Revised**

Related Change Request (CR) #: 6218

Related CR Release Date: October 31, 2008

Effective Date: January 1, 2009

Related CR Transmittal #: R1626CP

Implementation Date: January 5, 2009

Announcement of Medicare Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs) Payment Rate Increases

Note: This article was revised on April 6, 2018, to update Web addresses. All other information remains the same.

Provider Types Affected

RHCs and FQHCs submitting claims to Medicare contractors (Fiscal Intermediaries (FIs) and/or Part A/B Medicare Administrative Contractors (A/B MACs)) for services provided to Medicare beneficiaries.

Provider Action Needed

This article is based on Change Request (CR) 6218 which provides instructions for the calendar year (CY) 2009 Payment Rate Increases for Rural Health Clinics (RHC) and Federally Qualified Health Centers (FQHC) services.

Background

In accordance with the Social Security Act (Section 1833(f)); (see http://www.ssa.gov/OP_Home/ssact/title18/1833.htm on the Internet) the Centers for Medicare & Medicaid Services (CMS) is increasing the calendar year (CY) payment rates for Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs) effective for services on or after January 1, 2009, through December 31, 2009 (i.e., CY 2009), as follows:

- The RHC upper payment limit per visit is increased from \$75.63 to \$76.84 effective January 1, 2009, through December 31, 2009 (i.e., CY 2009). The 2009 rate reflects a 1.6 percent increase over the 2008 payment limit in accordance with the rate of

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increase in the Medicare Economic Index (MEI) as authorized by the Social Security Act (Section 1833(f)).

- The FQHC **upper payment limit per visit for urban FQHCs** is increased from \$117.41 to \$119.29 effective January 1, 2009, through December 31, 2009 (i.e., CY 2009), and **the maximum Medicare payment limit per visit for rural FQHCs** is increased from \$100.96 to \$102.58 effective January 1, 2009, through December 31, 2009 (i.e. CY 2009). The 2009 FQHC rates reflect a 1.6 percent increase over the 2008 rates, in accordance with the rate of increase in the MEI.

To avoid any unnecessary administrative burden, Medicare contractors will **not** retroactively adjust individual RHC/FQHC bills paid at previous upper payment limits. However, they retain the discretion to make adjustments to the interim payment rate or a lump sum adjustment to total payments already made to take into account any excess or deficiency in payments to date.

Additional Information

The official instruction, CR 6218, issued to your FI and A/B MAC regarding this change may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R1626CP.pdf>.

See article MM7038, which is available at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM7038.pdf>, and which alerts FQHCs of the information they are required to submit, beginning January 1, 2011, in order for CMS to develop and implement a Prospective Payment System for Medicare FQHCs.

If you have any questions, please contact your FI or A/B MAC at their toll-free number, which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html>.

Document History

- November 1, 2008 – Initial article released.
- April 6, 2018 – The article is revised to update Web addresses. All other information remains the same.

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